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DEPARTMENT OF COMMERCE

International Trade Administration

[A-823-815]

Certain Oil Country Tubular Goods from Ukraine: Preliminary Determination of Sales at Less Than Fair Value, Negative Preliminary Determination of Critical Circumstances, and Postponement of Final Determination

AGENCY: Enforcement and Compliance, formerly Import Administration, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Department) preliminarily determines that certain oil country tubular goods (OCTG) from Ukraine are being, or are likely to be, sold in the United States at less than fair value (LTFV), as provided in section 733(b) of the Tariff Act of 1930, as amended (the Act). The period of investigation is July 1, 2012, through June 30, 2013. The estimated weighted-average dumping margins of sales at LTFV are shown in the “Preliminary Determination” section of this notice. Interested parties are invited to comment on this preliminary determination. We intend to issue the final determination 135 days after publication of this preliminary determination in the *Federal Register*.

DATES: EFFECTIVE DATE: (Insert date of publication in the *Federal Register*.)

FOR FURTHER INFORMATION CONTACT: David Lindgren, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3870.

## SUPPLEMENTARY INFORMATION:

### Scope of the Investigation

The merchandise covered by this investigation is OCTG, which are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (*e.g.*, whether or not plain end, threaded, or threaded and coupled) whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished (including limited service OCTG products) or unfinished (including green tubes and limited service OCTG products), whether or not thread protectors are attached. The scope of the investigation also covers OCTG coupling stock. For a complete description of the scope of the investigation, *see* Appendix I.

### Scope Comments

On August 12, 2013, WSP Pipe Co., Ltd. (the sole mandatory respondent in the concurrent antidumping duty OCTG from Thailand investigation) submitted scope comments to the Department regarding “pierced billets” and asked that the Department determine that such merchandise was outside of the scope of this and other OCTG investigations.<sup>1</sup> Petitioners<sup>2</sup> filed rebuttal comments on August 22, 2013. We have not made any modifications to the scope of the investigations. For more information, *see* the Preliminary Decision Memorandum.<sup>3</sup>

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<sup>1</sup> See Letter from WSP Pipe Co., Ltd. Regarding “Comments on Scope of Investigations: Antidumping Duty Investigations of Oil Country Tubular Goods from India, Korea, Philippines, Saudi Arabia, Taiwan, Thailand, Turkey, Ukraine and Vietnam; Countervailing Duty Investigation of Oil Country Tubular Goods from India and Turkey,” dated August 12, 2013 at 2.

<sup>2</sup> United States Steel Corporation, Vallourec Star L.P., TMK IPSCO, Energex Tube (a division of JMC Steel Group), Northwest Pipe Company, Tejas Tubular Products, Welded Tube USA Inc., Boomerang Tube LLC, and Maverick Tube Corporation (collectively, petitioners)

<sup>3</sup> See Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, from Christian Marsh, Deputy Assistant Secretary for Enforcement and Compliance “Decision Memorandum for the Preliminary Determination in the Antidumping Duty Investigation of Certain Oil Country Tubular Goods from Ukraine”, dated concurrently with this determination and hereby adopted by this notice (Preliminary Decision Memorandum).

### Tolling of Deadlines for Preliminary Determination

As explained in the memorandum from the Assistant Secretary for Enforcement and Compliance, the Department has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from October 1, through October 16, 2013.<sup>4</sup> Therefore, all deadlines in this segment of the proceeding have been extended by 16 days. If the new deadline falls on a non-business day, in accordance with the Department's practice, the deadline will become the next business day.<sup>5</sup> The revised deadline for the preliminary determination of this investigation is now February 14, 2014.<sup>6</sup>

### Methodology

The Department conducted this investigation in accordance with section 731 of the Tariff Act of 1930, as amended (the Act). Constructed export price (CEP) has been calculated in accordance with section 772 of the Act. Normal value (NV) has been calculated in accordance with section 773 of the Act.

For a full description of the methodology underlying our conclusions, *see* Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is made available to the public via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at <https://iaaccess.trade.gov>, and is available to all parties in the Department's Central Records Unit, located at room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be

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<sup>4</sup> See Memorandum for the Record from Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government," dated October 18, 2013.

<sup>5</sup> See *Notice of Clarification: Application of "Next Business Day" Rule for Administrative Determination Deadlines Pursuant to the Tariff Act of 1930, As Amended*, 70 FR 24533 (May 10, 2005).

<sup>6</sup> Due to the closure of the Federal Government on February 13, 2014, the Department completed this determination on the next business day (*i.e.*, February 14, 2014). *Id.*

found at <http://enforcement.trade.gov/frn/>. The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

#### Preliminary Negative Determination of Critical Circumstances

On December 18, 2013, petitioners filed a timely critical circumstances allegation, pursuant to section 733(e)(1) of the Act and 19 CFR 351.206(c)(1), alleging that critical circumstances exist with respect to imports of the merchandise under consideration.<sup>7</sup> Based on our analysis, we preliminarily determine that there is not a reasonable basis to believe or suspect that critical circumstances exist with respect to OCTG from Ukraine. For a full description of the methodology and results of our analysis, please see the Preliminary Decision Memorandum.

#### Preliminary Determination

The Department preliminarily determines that the following weighted-average dumping margins exist:

Exporter/Producer	Weighted-Average Dumping Margin
Interpipe Europe S.A.; Interpipe Ukraine LLC; PJSC Interpipe Nizhnedneprovsky Tube Rolling Pipe (aka Interpipe NTRP); LLC Interpipe Niko Tube <sup>8</sup>	5.31 %
All Others	5.31 %

Section 735(c)(5)(A) of the Act provides that the estimated “all others” rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely under section 776 of the Act. The “All Others” rate is

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<sup>7</sup> See Letter to the Department from Petitioners regarding “Amendment to Petition for the Imposition of Antidumping Duties: Oil Country Tubular Goods from Ukraine,” dated December 18, 2013.

<sup>8</sup> The Department preliminarily determines that Interpipe Europe S.A.; Interpipe Ukraine LLC; PJSC Interpipe Nizhnedneprovsky Tube Rolling Pipe (aka Interpipe NTRP); LLC Interpipe Niko Tube; North American Interpipe, Inc. (collectively, Interpipe) are affiliated and should be considered a single entity. For a more detailed discussion on the Department’s analysis regarding affiliation and treatment of Interpipe Europe S.A. and certain affiliated companies as a single entity, see Preliminary Decision Memorandum at “Affiliation and Single Entity.” As North American Interpipe is the U.S.-based importer, it is excluded from the Exporter/Producer table above.

based on the weighted-average dumping margin calculated for Interpipe, the sole mandatory respondent in the investigation.<sup>9</sup>

#### Disclosure and Public Comment

We will disclose the calculations performed to parties in this proceeding within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than seven days after the date on which the final verification report is issued in this proceeding and rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs.<sup>10</sup> Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce. All documents must be filed electronically using IA ACCESS. An electronically filed request must be received successfully in its entirety by IA ACCESS, by 5:00 p.m. Eastern Standard Time, within 30 days after the date of publication of this notice.<sup>11</sup> Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. If a request for a hearing is made, the Department intends to hold the hearing at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, at a time and

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<sup>9</sup> See section 735(c)(5)(A) of the Act.

<sup>10</sup> See 19 CFR 351.309.

<sup>11</sup> See 19 CFR 351.310(c).

date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

#### Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, we are directing U.S. Customs and Border Protection (CBP) to suspend liquidation of all entries of OCTG from Ukraine as described in the scope of the investigation section entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*.

Pursuant to section 733(d)(1) of the Act and 19 CFR 351.205(d), we will instruct CBP to require a cash deposit equal to the weighted-average amount by which the NV exceeds CEP, as indicated in the chart above.<sup>12</sup> These suspension of liquidation instructions will remain in effect until further notice.

#### Postponement of Final Determination and Extension of Provisional Measures

Pursuant to a request from Interpipe, the respondent in this investigation, we are postponing the final determination. Accordingly, we will make our final determination no later than 135 days after the date of publication of this preliminary determination, pursuant to section 735(a)(2) of the Act.<sup>13</sup> Further, Interpipe requested to extend the application of the provisional measures prescribed under section 733(d) of the Act and 19 CFR 351.210(e)(2), from a four-month period to a six-month period. Suspension of liquidation will be extended accordingly.

#### International Trade Commission Notification

In accordance with section 733(f) of the Act, we notified the International Trade Commission (ITC) of our preliminary affirmative determination of sales at LTFV. If our final

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<sup>12</sup> See *Modification of Regulations Regarding the Practice of Accepting Bonds During the Provisional Measures Period in Antidumping and Countervailing Duty Investigations*, 76 FR 61042 (October 3, 2011).

<sup>13</sup> See also 19 CFR 351.210(e).

determination is affirmative, section 735(b)(2) of the Act requires that the ITC make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of OCTG from Ukraine before the later of 120 days after the date of this preliminary determination or 45 days after our final determination.

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act and 19 CFR 351.205(c).

Dated: February 14, 2014.

Paul Piquado,  
Assistant Secretary  
for Enforcement and Compliance.

## **Appendix I**

### **Scope of the Investigation**

The merchandise covered by the investigation is certain oil country tubular goods (OCTG), which are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (*e.g.*, whether or not plain end, threaded, or threaded and coupled) whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished (including limited service OCTG products) or unfinished (including green tubes and limited service OCTG products), whether or not thread protectors are attached. The scope of the investigation also covers OCTG coupling stock.

Excluded from the scope of the investigation are: casing or tubing containing 10.5 percent or more by weight of chromium; drill pipe; unattached couplings; and unattached thread protectors.

The merchandise subject to the investigation is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7304.29.10.10, 7304.29.10.20, 7304.29.10.30, 7304.29.10.40, 7304.29.10.50, 7304.29.10.60, 7304.29.10.80, 7304.29.20.10, 7304.29.20.20, 7304.29.20.30, 7304.29.20.40, 7304.29.20.50, 7304.29.20.60, 7304.29.20.80, 7304.29.31.10, 7304.29.31.20, 7304.29.31.30, 7304.29.31.40, 7304.29.31.50, 7304.29.31.60, 7304.29.31.80, 7304.29.41.10, 7304.29.41.20, 7304.29.41.30, 7304.29.41.40, 7304.29.41.50, 7304.29.41.60, 7304.29.41.80, 7304.29.50.15, 7304.29.50.30, 7304.29.50.45, 7304.29.50.60, 7304.29.50.75, 7304.29.61.15, 7304.29.61.30, 7304.29.61.45, 7304.29.61.60, 7304.29.61.75, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.29.10.30, 7306.29.10.90, 7306.29.20.00, 7306.29.31.00, 7306.29.41.00, 7306.29.60.10, 7306.29.60.50, 7306.29.81.10, and 7306.29.81.50.

The merchandise subject to the investigation may also enter under the following HTSUS item numbers: 7304.39.00.24, 7304.39.00.28, 7304.39.00.32, 7304.39.00.36, 7304.39.00.40, 7304.39.00.44, 7304.39.00.48, 7304.39.00.52, 7304.39.00.56, 7304.39.00.62, 7304.39.00.68, 7304.39.00.72, 7304.39.00.76, 7304.39.00.80, 7304.59.60.00, 7304.59.80.15, 7304.59.80.20, 7304.59.80.25, 7304.59.80.30, 7304.59.80.35, 7304.59.80.40, 7304.59.80.45, 7304.59.80.50, 7304.59.80.55, 7304.59.80.60, 7304.59.80.65, 7304.59.80.70, 7304.59.80.80, 7305.31.40.00, 7305.31.60.90, 7306.30.50.55, 7306.30.50.90, 7306.50.50.50, and 7306.50.50.70.

The HTSUS subheadings above are provided for convenience and customs purposes only. The written description of the scope of the investigation is dispositive.



## **Appendix II**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

1. Postponement of Preliminary Determination
2. Postponement of Final Determination and Extension of Provisional Measures
3. Scope of the Investigation
4. Scope Comments
5. Affiliation and Single Entity
6. Fair Value Comparisons
7. Product Comparison
8. Determination of Comparison Method
9. Constructed Export Price
10. Normal Value
  - a. Home Market Viability
  - b. Level of Trade
  - c. Cost of Production
  - d. Constructed Value
  - e. Price-to-CV Comparison
  - f. Calculation of Normal Value Based on Comparison Market Prices
  - g. Re-export Sales
11. Date of Sale
12. Currency Conversion
13. Critical Circumstances
14. Verification

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